

WASHINGTON, D.C.—Today the House of Representatives passed [H.R. 384](#), the Troubled Assets Relief Program (TARP) Reform and Accountability Act by a vote of [260 to 166](#)

. Representative Xavier Becerra (CA-31), Vice Chair of House Democratic Caucus, voted for the bill.

“Last October I voted against the TARP plan because it did not meet my standard for accountability and did not target assistance at taxpayers, workers, small businesses, and homeowners,” Rep. Becerra said. “This overhaul of TARP makes key changes to the program, attacking the root of our economic crisis—foreclosures, home values and a credit freeze—while implementing tough accountability measures that allow us to better monitor how these funds are spent. I look forward to seeing President Obama sign this overdue reform into law.”

H.R. 384 mandates quarterly public reporting for any institution using TARP funds, requiring banks to tell Congress how money received from the government is being used. FDIC-insured depository institutions must report on any change in lending levels and any activity related to TARP funding.

The bill requires Treasury, TARP participants and the institutions’ regulators to agree on how the funds are to be used and set benchmarks to achieve the goal of making credit more available to consumers. It also requires regulators to examine fund usage and program compliance, and directs Treasury to immediately make TARP funds available to local community banks on the same terms as the large institutions already receiving funds.

In order to help Americans stay in their homes, the bill calls on Treasury to immediately commit up to \$100 billion of the second \$350 billion in TARP funding on a comprehensive foreclosure mitigation plan. It protects mortgage servicers who modify loan to stem foreclosures, and mandates that the foreclosure mitigation plan include at least \$20 billion for a systematic program to guarantee loan modifications to help families in danger of losing their homes.

The legislation makes changes to the Hope for Homeowners refinancing program to encourage more lenders to refinance home loans for borrowers at risk of losing their homes. The bill eliminates the 3 percent up-front premium lenders must pay on home loans; reduces the amount of principal that the lender must write down; reduces the borrowers’ insurance premium;

BECERRA VOTES TO ENHANCE EFFECTIVENESS, ACCOUNTABILITY OF TARP PROGRAM

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and eliminates government profit sharing of home appreciation at the time of refinancing. It also requires the TARP's congressional oversight panel to report to Congress by July 1 on actions taken by the Treasury to mitigate foreclosures.

H.R. 384 makes permanent the increase in FDIC deposit insurance limit to \$250,000 per account.

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